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"INDEPENDENT IN ALL THINGS, NEUTRAL IN NONE."

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TWENTY-THIRD YEAR, NO. 16.

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BUST THE TRUST

The Telephone Monopoly Is One of the Most Oppressive in the History of the United States.

The Government Is Beginning to Take Notice of It and the People Demand Its Quick Suppression.

Chicago City Council, by a Unanimous Vote, Orders the Chicago Phone Company to Take Out All Nickel First Phones.

The Telephone Gang Had the Nerve to Install Thousands of These Machines After Telling the Aldermen that Nothing Would Be Done.

The telephone trust is the most grinding of the many trusts that exist in the United States.

It snuffs out competition by the power of its money and the people are like so many serfs to be used at its own beck and call.

The rising tide of indignation will never subside until the whole telephone trust and its aides and abettors are punished.

Charles F. DeWoody, division superintendent in the Department of Justice secret service, returned from a trip on which it is reported he has been gathering information for the Attorney-General regarding the alleged Bell telephone monopoly.

It is reported that an investigation national in its scope, is being carried on by the forces of Attorney-General Wickersham looking to the filing of proceedings for the dissolution of the alleged trust. An exhaustive investigation has been going on in Chicago, it is said, of the operations of the Bell syndicate alleged to be in violation of the Sherman law.

"You have been West it is understood for the purpose of getting data bearing on the alleged telephone trust, have you not?" DeWoody was asked.

"That is a matter that I cannot possibly discuss. There is nothing that we can announce regarding any such investigation," was the reply.

Last Monday night the city council passed an order directing the Chicago Telephone company to wipe out its "nickel-first" service throughout the city. By its passage the corporation was directed to restore to the usual nickel service 61,000 lines now equipped with "tick-tick" instruments, requiring the deposit of a nickel before communication can be established with the operator. This number includes the 13,500 instruments changed to the new type of service Saturday night and approximately 47,500 telephones which have had the "tick-tick" feature added to them during the last five years.

In a heated session immediately preceding the convening of the council the committee on gas, oil and electric light voted to make a clean sweep of the entire question. The vote in committee was unanimous, as Chairman Twigg, the only one who actively opposed the recommendation of an order, did not vote because he was in the chair. In the council the order was passed by unanimous consent.

It had been expected that the committee, called into session upon the insistence of Alderman James B. Bowler, would take rigorous action, but its full extent had not been forecast. It was thought that an order directing the company to cease the installation of the "tick-tick" service would be passed. It also was thought there was a possibility that another order directing the restoration to the "nickel-first" service of the 13,500 shifted almost without warning Saturday.

Alderman Bowler began the committee debate by moving the recommendation of the first of these orders. Alderman Twigg objected on the ground that the committee should wait for an opinion from the law department before acting. During the discussion Bowler insisted that the second order also should be passed. This also Twigg opposed, but Pringle,

Sitts and other members declared that both should be recommended.

The Chicago Telephone Company is bound by its franchise to submit to any order passed by the city council regulating either its charges or its equipment. Section 7 of the ordinance granting the franchise says:

"The city council as one of the conditions of the grant of the privileges herein conferred upon the Chicago Telephone Company hereby reserves to itself the right from time to time during the period of this grant, by special ordinance amendatory hereof, to hereafter establish, fix, prescribe, and regulate the rates, charges, prices and tolls or other compensation or any limitations thereupon for each and every kind of service, facilities, and equipment which the Chicago Telephone Company furnishes or supplies or may furnish or supply in the city of Chicago under this ordinance, and also the basis, method, manner, and means of computing, exacting, imposing, paying, and collecting such rates, charges, prices, and tolls or other compensation of said Chicago Telephone Company."

Elsewhere in the franchise, in section 5, is found this paragraph:

"The city council shall have the right by ordinance to regulate from time to time during the term hereof in any manner each and every kind of service which said Chicago Telephone Company may hereafter deal in, furnish or supply in the city of Chicago under or by virtue of this grant."

In section 16 is found this provision: "But said Chicago Telephone Company by the acceptance of this ordinance shall be understood as precluded from in any manner attacking or questioning the power of the city of Chicago to exercise the authority, powers, privileges, and rights hereby reserved or granted, or any of them."

By section 17 the company agreed that in the event of its default "in the observance or performance" of any of the agreements of the ordinance continuing three months after written notice from the city the council can declare the grant "and all the rights and privileges" of the company forfeited and at an end.

The caddies who are running the Chicago Telephone company hold Chicago aldermen pretty cheap if they think they can make them swallow that "nickel-first" dope.

Can it be possible that all the telephone company's employees have written letters approving of the "nickel-first" phone?

Who rules Chicago, the aldermen or the phone company?

National Democratic Committeeman Roger C. Sullivan, leader of the regular state and local Democratic organization, is opposed to the making of slates for the big Democratic primary to be held April 9.

Mr. Sullivan, who has returned from Washington, had words of praise for Woodrow Wilson, who, as a Demo-

cratic presidential nomination aspirant, spoke at the Jackson day celebration in Washington, in the course of the meeting of the national committee.

"Gov. Wilson's speech was a mighty effort and he made a tremendous impression on those who heard him because of the conservative manner in

which he talked," said Mr. Sullivan. "His speech was the most effective of those heard and I tell you he made a lot of friends. He demonstrated at once that he is an able man and well informed upon the subjects of federal government."

Speaking of local politics, "an open field and a fair fight" was the slogan set up by Mr. Sullivan. "The field is full of candidates and it is a splendid opportunity to test out the direct primary law. I favor leaving the field

open and let all who desire enter the running and the people generally will do the nominating. I favor letting the 'other fellows' do all the slate-making this time."

"How about the governorship nomination contest?" he was asked. "The same holds good for that," said Mr. Sullivan. "It looks as if there will be only three candidates in that contest and it will be easy for the voters to determine their choice and obtain all the information they desire relative to the fitness of the candidates. I know of no reason why the organization men should attempt any slate-making this time."

Edward F. Dunne has formally announced his candidacy for governor in a vigorous address to the people.

The Chicago Telephone company is losing so much money that it is putting up a twenty story office building at the cost of a few million. The people pay the freight.

Mr. Sunny is very funny, For nerve he takes the bunny, And he does it all for money.

Half holidays have been ordered in the public schools for children who wish to engage in vocational studies not now taken up in the schools. These include chiropody, the tonorial art and massage. Everything else is now taught except reading, writing and arithmetic.

The city should look over the telephone company's books to see if the city gets all that is coming to it.

The telephone company, according to "experts," is losing money. For a losing enterprise it pays pretty big dividends and puts up pretty big buildings.

By the way, does the city get its fair share of the telephone receipts?

Since the investment of the big sum subscribed for firemen's widows was invested in phone stock without their consent, the phone company evidently

feels that its tick-tack tomall doesn't need the council's consent. In fact it seems to think that it can grab off any old thing without anybody's consent.

The phone company is showing its teeth.

Isn't it funny that the Sunny side of the telephone company should look so darkly on the people's rights?

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'PHONE SLAVERY

The People of Chicago Pray for Deliverance from the Grasp of the Awful Bell Monopoly.

Chicagoans Forced to Pile Up the Profits of Three Different Corporations and Thus Boost Stock Dividends.

The Bell Monopoly Owns the Local Telephone Company and the Western Electrical Company and Makes One of Them Patronize the Other.

As the Bell Company Wants a Big Profit Itself It Is Easy to See Why Telephone Rates Are to Be Raised.

The Telephone Trust has commenced a bitter and an uncalled for attack on the Mayor and honest aldermen of the city of Chicago who are fighting for the people's rights against a heartless monopoly.

The Telephone Trust is opposed to the honest, capable and efficient service

company which has expended over \$2,300,000 in instruments, wires and station equipments, to be forced to give up all of this to satisfy the Telephone Trust.

Any alderman who votes in favor of an increase of rates for the Telephone Monopoly will be beaten to a finish the next time he runs for office.

According to some accounts several men who are working for the monopoly and its franchise may not be residents of Chicago when the next election comes around.

The Telephone Monopoly is busy circulating "ugly rumors" about the Corporation Counsel, the Mayor and the honest aldermen who are standing up for the people's rights.

"Ugly rumors" is good. Aldermen who are anxious to learn the truth ought to inquire into the details of the passage of the telephone ordinance five years ago.

"Ugly rumors" Well, there are some pretty ugly rumors going the rounds just now.

But, the Mayor, Corporation Counsel and honest aldermen are not the ones affected by them.

A watchful eye is being kept on the situation by too many people to have it easily misunderstood.

A new report has been ordered on the books and accounts of the Telephone Trust.

When the aldermen get that report they ought to be in a position to lower rates.

If they raise them they will raise something hotter than this climate has been for the past few weeks.

From the learned telephone expert whose report was submitted to the City Council in May, 1911, we learn on pages 49 and 50, that the Bell Telephone monopoly that reaches all over the country, owns a controlling interest in the local telephone company and the Western Electrical Company.

The latter is purely a manufacturing company," says the report, "engaged in the manufacture of Bell telephone apparatus and supplies." In 1904 a contract was entered into between the local telephone company and the electrical company, both of them owned by the Bell monopoly, whereby the local company agreed to purchase all of its supplies from the electrical company.

Under the terms of this contract the electrical company agrees to deliver to the telephone company all telephone appliances manufactured under the license of the Bell Telephone Company. The local telephone company, on the other hand, agrees to purchase all its supplies from the electrical company.

Here we have a fine sample of how the parent monopoly makes the subsidiary monopolies pile up profits for each other and the public pays the freight.

On page 52 of the report of this "Expert" to the City Council we find the statement made that the Bell monopoly charges a rental of 53 cents per station for each set of instruments used.

This would amount to \$193,900 yearly, but the expert discovered that the local company really paid the parent company \$255,712 last year.

About this enormous overcharge the "expert" naively says on page 53 of the report now in the hands of the Council committee: "In justification

of the payment of the difference between these amounts, or \$122,411, the Chicago company receives certain services from the parent company which it is claimed are worth the amount paid.

These services consist of technical advice and counsel and the use of apparatus patented by the parent company.

What do you think of that? And then the aldermen are asked to raise the rates on the people to help the local company out.

Any alderman who votes to raise rates should be outlawed. Rates are twice as much as they ought to be at the present time. They should be reduced.

From a learned "Expert's" reports to the City Council we learn that:

Telephone rates should be raised because the Bell Telephone Company owns the local telephone company.

Because the Western Electrical Company is also owned by the Bell Telephone Company.

Because the local telephone company is obliged to buy all of its equipment and necessities from the Western Electrical Company.

Because neither the Western Electrical Company or the local telephone company would have big enough profits to suit the Bell Telephone, which owns them, if Chicago people were not pressed for a little more coin and their telephone rates raised.

Because the local telephone company has increased its capital stock from the original \$500,000 to \$27,000,000 and \$5,000,000 more in bonds.

Because the stockholders would not get big enough dividends on this immense stock issue if the people of Chicago were not squeezed.

Therefore the telephone company has the nerve to ask the City Council to raise the rates on the people of Chicago.

The people of Chicago are to be used as serfs by the telephone monopoly and the last drop is to be squeezed out of them.

In the meantime it would be well for the aldermen to inquire into the alleged relations, in the past, of certain city officials with the above electrical company, the twin of the local telephone company, both being owned by the Bell monopoly.

The telephone gang want the council to raise the rates on all phones. To abolish all flat phones and make everybody takes measured service.

To put a nickel in every phone before connection is made.

Fire Marshal Seyferlich asserted that as practically one-half of the fire and police alarms are received by telephone, he did not favor the general installation of the "pay-in-advance" type of telephone instrument now being placed in various parts of the city by the telephone company.

All telephone patents should be confiscated by the government when they become the exclusive property of the Telephone Trust. The following from an editorial in the Chicago Daily News of July 17, 1911, hits the case exactly:

"In an argument before the national senate's interstate commerce committee, Senator Kenyon recently urged several modifications of the Sherman

act which has expended over \$2,300,000 in instruments, wires and station equipments, to be forced to give up all of this to satisfy the Telephone Trust.

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ROGER C. SULLIVAN,
Democratic National Committeeman for Illinois.